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FISCAL IMPACT STATEMENT

LS 6128

BILL NUMBER: HB 1129

NOTE PREPARED: Feb 19, 2009

BILL AMENDED: Feb 19, 2009

SUBJECT: Adult Education.

FIRST AUTHOR: Rep. Klinker

FIRST SPONSOR:

BILL STATUS: CR Adopted - 1st House

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: (Amended) This bill requires a school corporation to include in its school performance report information concerning the adult education programs it may offer. It permits a school corporation to partner with a qualified provider of adult education under the state's adult education program. The bill establishes an interim study committee to study certain aspects of adult education..

(The introduced version of this bill was prepared by the Interim Study Committee on Adult Education Issues.)

Effective Date: July 1, 2009.

Explanation of State Expenditures: (Revised) The requirement to include information on adult education in the school's performance report should not have any state fiscal impact.

The bill should not affect the adult education distribution formula since school corporation would still be the primary provider of services.

This bill establishes a Interim Study Committee on Adult Education. The committee is to operate under the policies governing study committees adopted by the Legislative Council. Legislative Council resolutions in the past have established budgets for interim study committees in the amount of \$9,500 per interim for committees with fewer than 16 members. The committee is to study gaps that exist in adult education programs offered through out Indiana and funding issues. The funding issues include a comprehensive fiscal analysis detailing the extent to which demand exceeds current financial resources and the method of fund adult education.

Background: Currently, only school corporations are eligible for the \$14 M adult education distribution. The distribution is a reimbursement of instructor salaries and administrative and support costs and may not exceed the actual expenditures. The reimbursement for instructors' salaries is based on a program average of ten eligible adults per unit of instruction. The reimbursement for administrative and support costs is calculated on actual expenditures, but may not exceed 5% of the total appropriation for adult education. If the requested reimbursement exceeds the appropriation, then the distribution is proportionately reduced.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: The inclusion of include information on adult education in the school's performance report could have minor fiscal impact. The bill might provide local schools with greater flexibility in partnering with not for profit adult organizations to offer programs.

State Agencies Affected: Department of Education.

Local Agencies Affected: Local schools.

Information Sources: Linda Warner, Department of Education, 317-232-5028; *Digest of Public School Finance*.

Fiscal Analyst: Chuck Mayfield, 317-232-4825.